



**NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 406**

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S406-ABN-22 [v.1]

Page 1 of 3

Amends Title [NO]
First Edition

Date _____, 2023

Senator Lee

1 moves to amend the bill on page 2, line 26, by deleting the phrase "2023-2024" and inserting the
2 phrase "2024-2025";

3
4 and on page 3, line 50, through page 5, line 40, by rewriting those lines to read:

5
6 "SECTION 1.(e) G.S. 115C-562.8 reads as rewritten:

7 "**§ 115C-562.8. The Opportunity Scholarship Grant Fund Reserve.**

8 (a) The Opportunity Scholarship Grant Fund Reserve is established as a reserve to be
9 administered by the Board of Governors of The University of North Carolina for the purpose of
10 allocating funds to the Authority for the award of scholarship grants in accordance with this Part.
11 The Reserve shall consist of monies appropriated from the General Fund to the Reserve by the
12 General Assembly and any interest accrued to it thereon. These funds shall be used to award
13 scholarship grants to eligible students for the school year that begins in the fiscal year following
14 the fiscal year in which the appropriation is made to the Reserve. The Board of Governors shall
15 only use monies in the Reserve in accordance with the purposes set forth in this section. Funds
16 appropriated in a particular fiscal year to be used for the award of scholarships in the following
17 fiscal year that are unexpended at the end of the fiscal year after the fiscal year in which the funds
18 were appropriated shall be first used for the purpose set forth in subdivision (1) of subsection (d)
19 of this section, if applicable. After funds are used for this purpose, any unexpended funds from
20 the funds appropriated in a particular fiscal year to be used for the award of scholarships in the
21 following fiscal year shall be carried forward for one fiscal year and may be used for the purposes
22 set forth in this section. Funds carried forward pursuant to this section that have not been spent
23 within one fiscal year shall revert to the General Fund.

24 (b) The General Assembly finds that, due to the critical need in this State to provide
25 opportunity for school choice for North Carolina students, it is imperative that the State provide
26 an increase of funds for 15 years to the Opportunity Scholarship Grant Fund Reserve. Therefore,
27 there is appropriated from the General Fund to the Reserve the following amounts for each fiscal
28 year to be used for the purposes set forth in this section:

Fiscal Year	Appropriation
2017-2018	\$44,840,000
2018-2019	\$54,840,000
2019-2020	\$64,840,000



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Page 2 of 3

1	2020-2021	\$74,840,000
2	2021-2022	\$84,840,000
3	2022-2023	\$94,840,000
4	2023-2024	\$176,540,000
5	2024-2025	\$191,540,000
6	2025-2026	\$206,540,000 \$415,540,000
7	2026-2027	\$221,540,000 \$430,540,000
8	2027-2028	\$236,540,000 \$445,540,000
9	2028-2029	\$251,540,000 \$460,540,000
10	2029-2030	\$266,540,000 \$475,540,000
11	2030-2031	\$281,540,000 \$490,540,000
12	2031-2032	\$296,540,000 \$505,540,000

For the 2032-2033 fiscal year and each fiscal year thereafter, there is appropriated from the General Fund to the Reserve the sum of ~~three hundred eleven million five hundred forty thousand dollars (\$311,540,000)~~ five hundred twenty million five hundred forty thousand dollars (\$520,540,000) to be used for the purposes set forth in this section. When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subsection, the Director of the Budget shall include the appropriated amount specified in this subsection for that fiscal year.

(c) Of the funds allocated to the Authority to award scholarship grants under this Part, the Authority may retain up to two and one-half percent (2.5%) of the funds appropriated each fiscal year for administrative costs associated with the scholarship grant program.

(d) Any unexpended funds at the end of a fiscal year from the funds appropriated in a particular fiscal year to be used for the award of scholarships in the following fiscal year shall be used as follows:

- (1) Up to five hundred thousand dollars (\$500,000) may be used by the Authority to contract with a nonprofit corporation representing parents and families for outreach and scholarship education and application assistance for parents and students pursuant to Part 4A of this Article.
- (2) Any remaining funds shall be carried forward for one fiscal year pursuant to subsection (a) of this section."

SECTION 1.(f) Notwithstanding G.S. 115C-562.3(a), as enacted by this act, as part of a student's application for a scholarship grant pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes for the 2024-2025 school year, a parent shall certify to the State Education Assistance Authority that the domicile requirements of G.S. 115C-562.1(3a), as enacted by this act, are met for eligibility purposes in lieu of submitting evidence electronically to the State Education Assistance Authority through a domicile determination system. The State Education Assistance Authority shall select six percent (6%) of the applications for the 2024-2025 school year to verify the domicile requirements are met for the award of a scholarship grant to an eligible student. As evidence of domicile, the State Education Assistance Authority may accept the submission of any of the documents set forth under G.S. 115C-562.3(a). If a parent fails to cooperate with verification efforts under this section, the State Education Assistance Authority shall revoke the award of the scholarship grant to the eligible student. In

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Page 3 of 3

1 addition, if the State Education Assistance Authority determines that the certification of the
2 parent contains falsified information, the parent may be subject to administrative, civil, or
3 criminal penalties. The State Education Assistance Authority shall include a notice of the
4 potential for the imposition of penalties when requesting certification as part of the application
5 process.

6 **SECTION 1.(g)** There is appropriated from the General Fund to the Opportunity
7 Scholarship Grant Fund Reserve the sum of eighty-seven million dollars (\$87,000,000) in
8 nonrecurring funds for the 2023-2024 fiscal year. There is appropriated from the General Fund
9 to the Opportunity Scholarship Grant Fund Reserve the sum of one hundred sixty-three million
10 dollars (\$163,000,000) in nonrecurring funds for the 2024-2025 fiscal year.

11 **SECTION 1.(h)** This section is effective July 1, 2023, and applies to applications
12 for scholarship grants beginning with the 2024-2025 school year.";

13
14 and on page 8, lines 21-22, by deleting the phrase "G.S. 115C-562.2(b2)(2) and (3)." And
15 substituting the phrase "G.S. 115C-562.2(b2)(1) and (2).".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____